AMENDED IN ASSEMBLY MARCH 25, 2009

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 725

Introduced by Assembly Member Jones Members Jones and Torres (Coauthors: Assembly Members Hall and Price)

(Coauthor: Senator DeSaulnier)

February 26, 2009

An act to amend Section 11629.84 of the Insurance Code, relating to auto insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 725, as amended, Jones. Auto insurance: low-cost automobile insurance.

Existing law establishes, within the California Automobile Assigned Risk Plan, a low-cost automobile insurance program. Existing law establishes the low-cost automobile insurance program in several specified counties and makes the expansion to all other counties in California subject to a determination of need made by the Insurance Commissioner following a public meeting, as specified. Existing law provides for the issuance of automobile liability policies pursuant to this program under specified terms and conditions, and provides that a policy so issued satisfies specified requirements regarding financial responsibility. Existing law provides that the low-cost automobile insurance program shall remain in effect only until January 1, 2011.

This bill would instead provide that the low-cost automobile insurance program shall remain in effect until January 1, 2016.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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The people of the State of California do enact as follows:

- SECTION 1. Section 11629.84 of the Insurance Code is amended to read:
- 3 11629.84. This article shall remain in effect-only until January
- 4 1, 2016, and as of that date is repealed, unless a later enacted
- 5 statute, that is enacted before January 1, 2016, deletes or extends
- 6 that date.